

Message Text

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ACTION ARA-10

INFO OCT-01 SS-14 ISO-00 NSC-05 NSCE-00 INR-05 CIAE-00

L-01 SP-02 TRSE-00 IO-06 PM-03 ACDA-10 EB-04

OMB-01 H-01 SAB-01 /064 W

-----096404 271517Z /45

R 271300Z JUL 77

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC 2915

JCS WASH DC

DOD WASH DC

USCINCSO

C O N F I D E N T I A L SECTION 1 OF 2 PANAMA 5343

LIMDIS

JCS FOR CHAIRMAN; DOD FOR ISA

E.O. 11652: GDS

TAGS: PN, MILI

SUBJECT: MEETING WITH LTC CONTRERAS

SUMMARY: ON JULY 25, 1977 LTC CONTRERAS OUTLINED PANAMA'S POSITION ON LANDS AND WATERS TO A MILGROUP OFFICER. CONTRERAS WILL ATTEMPT TO OBTAIN LTG MCAULIFFE'S SUPPORT FOR THIS POSITION IN A JULY 27TH MEETING AND THEN PRESENT PANAMA'S POSITION IN WASHINGTON. CONTRERAS ALSO DISCUSSED COMBINED TRAINING, COMMAND STRUCTURE UNDER THE SOFA AND THE GN'S FIVE YEAR FORCE DEVELOPMENT PLAN. END SUMMARY.

1. LANDS AND WATERS. CONTRERAS OUTLINED THE AREAS PANAMA SEEKS IN PRIORITY ORDER. THE MILGROUP OFFICER ASKED CONTRERAS TO PRIORITIZE PANAMA'S DESIRES AND BELIEVES HE DID SO FOR BOTH THE PACIFIC AND ATLANTIC SIDES IN PRIORITY.

PACIFIC SIDE
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A. RODMAN. PANAMA WILL REQUEST ONE PIER, BARRACKS SPACE AND A SMALL MAINTENANCE AND SUPPLY AREA TO BE TURNED OVER WHEN THE TREATY IS IMPLEMENTED. GN OFFICIALS HAVE STATED THEIR NEEDS FOR A DEEP WATER PORT ON THE PACIFIC, AND CONTRERAS WILL PUSH TO ACHIEVE THEIR GOAL. HE SPOKE OF OBTAINING A PORT THAT WOULD BE ADEQUATE AND REPRESENTATIVE SO THAT PANAMA WOULD NOT BE

EMBARRASSED WHEN VISITED BY OTHER NATION'S NAVIES.

B. CURUNDU HEIGHTS HOUSING AREA. RODMAN IS THE "PRIORITY MILITARY AREA", BUT CURUNDU HEIGHTS HOUSING IS "THE PRIORITY CIVILIAN AREA" IN THE GN'S EYES. PANAMA WANTS TO ELIMINATE THE OBVIOUS AND UNFAVORABLE COMPARISON BETWEEN THE CURUNDU AREA IN THE ZONE AND THE ADJACENT SLUMS.

C. AMADOR. CONTRERAS SAID THEY WANTED ALL THE HEADQUARTERS FACILITIES, SHOP AREA, OFFICE SPACE AND SOME RESIDENCES (BUT NO LONGER SOUGHT ALL RESIDENCES). HE DID NOT SPECIFY THE RESIDENCES BY BUILDING OR TYPE BUT INDICATED BETTER OR PRESTIGE RESIDENTIAL AREAS ON THE MAP (SIMMONDS AVENUE) AND SAID THEY WANTED MORE RESIDENCES THAN HAD BEEN PROMISED IN THE LAST SESSION. HE SPECIFICALLY ELIMINATED THE THIRD STREET RESIDENTIAL AREA BEHIND THE GOLF CLUB.

ATLANTIC SIDE IN PRIORITY

A. CRISTOBAL HIGH SCHOOL IN COCO SOLO. CONTRERAS SPOKE AT LENGTH OF PROBLEMS THE SCHOOL COULD PRESENT TO BOTH COUNTRIES. HE SAID PANAMA PLANNED TO DEVELOP THE COCO SOLO AREA INDUSTRIALLY AND COMMERCIALY, AND IT WOULD BE A POOR SITE FOR US SCHOOL CHILDREN. HE SPOKE OF THE CONTINUING POSSIBILITY OF SOCIAL PROBLEMS AND STRIKES IN COLON AND SAID SECURITY OF THE SCHOOL AND THE CHILDREN WOULD BE A PROBLEM FOR PANAMA. THE UNITED STATES WOULD ALSO HAVE

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PROBLEMS SINCE THE SCHOOL WOULD BE ISOLATED IN AN AREA CONTROLLED BY PANAMA, AND HE COULD NOT UNDERSTAND WHY WE PERSISTED IN WANTING TO KEEP THE SCHOOL. HE UNDERSTOOD THE MONEY PROBLEMS ASSOCIATED WITH RELOCATION, BUT CONTRERAS BELIEVES US RESOURCES ARE UNLIMITED.

B. MARGARITA BAY DOCK SITE. THE DOCK IN MARGARITA BAY (VICINITY PA228368) WITH ADJACENT BUILDINGS AND FIELDS DOES NOT APPEAR ON EXISTING MAPS, BUT IT IS THE SITE THE GN HAS APPARENTLY SELECTED AS THEIR NAVY'S HOME BASE ON THE ATLANTIC SIDE. HE HAS SPOKEN IN THE PAST OF SECURING AN ATLANTIC DEEP WATER SITE. THE MILGROUP OFFICER SURMISES PANAMA WANTS TO SEPARATE THIS PROSPECTIVE NAVY INSTALLATION FROM THE PLANNED COCO SOLO INDUSTRIAL/COMMERCIAL DEVELOPMENT.

C. FORT GULICK. CONTRERAS SAID THE GN WOULD LIKE TO OBTAIN GULICK BY 1979 RATHER THAN THE AGREED UPON FIVE YEARS, BUT HE DID NOT SEEM VERY EMPHATIC OR CONCERNED THAT THEY WOULD PROBABLY NOT SECURE THE AREA BY 1979. HEDOE'S PLAN TO ASK FOR A TRAINING AREA OR SCHOOL SITE ON GULICK BUT DID NOT WANT TO GO INTO DETAIL.

RODMAN AND THE COCO SOLO SCHOOL WERE THE ITEMS HE EMPHASIZED AND

THE AREAS HE PLANS TO PURSUE MOST AGGRESSIVELY; MARGARITA BAY AND CURUNDU HEIGHTS HOUSING WERE A CLOSE SECOND. HE MADE NO MENTION WHATSOEVER OF FORT DAVIS AND DECIDED NOT TO SAY ANYTHING ABOUT THE PACIFIC SIDE BEACHES IN THE FARFAN AREA AFTER A PASSING REFERENCE TO THESE BEACH AREAS.

2. COMBINED COMMAND CONCEPT. CONTRERAS SAID HE WANTED TO DISCUSS THE COMMAND STRUCTURES EACH COUNTRY WOULD HAVE UNDER THE SOFA. HE DID NOT DWELL ON THIS TOPIC AND SEEMED CONCERNED ONLY THAT PANAMA'S FORCES WOULD RETAIN THEIR NATIONAL IDENTITY AND SOVEREIGNTY IN COMBINED DEFENSE. HE HAD BEEN VERY CONCERNED OVER ANY USE OF THE WORD JOINT IN THE PAST AND WANTS TO AVOID EVEN THE APPEARANCE OF HAVING GN COMMANDED BY THE US.

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L-01 SP-02 TRSE-00 IO-06 PM-03 ACDA-10 EB-04

OMB-01 H-01 SAB-01 /064 W

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R 271300Z JUL 77

FM AMEMBASSY PANAMA

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C O N F I D E N T I A L SECTION 2 OF 2 PANAMA 5343

LIMDIS

3. COMBINED TRAINING. HE SAID HE WOULD DISCUSS US/PANAMANIAN COMBINED TRAINING WITH GENERAL MCAULIFFE. WHEN REMINDED HE HAD BEEN ADAMANT THAT THERE BE NO COMBINED TRAINING UNTIL THE TREATY PROBLEM WAS RESOLVED, HE REPLIED THERE MIGHT BE A FEW THINGS WE COULD DO TOGETHER, BUT HE CHARACTERISTICALLY DECLINED TO GO INTO DETAIL.

4. FORCE DEVELOPMENT PLAN. HE THEN SPOKE OF A RECENTLY COMPLETED NATIONAL GUARD FIVE YEAR FORCE DEVELOPMENT PLAN AND SAID HE MIGHT DISCUSS THIS WEDNESDAY. WHEN TOLD GENERAL MCAULIFFE WOULD WANT TO STUDY THE PLAN PRIOR TO A DISCUSSION, HE HESITATED AND THEN AGREED TO FURNISH COPIES IMMEDIATELY. THE GN PLAN IS OVERLY AMBITIOUS, ILL-CONCEIVED, AND BEYOND PANAMA'S CAPABILITIES AND

NEEDS IN 10-15 YEARS AND WHOLLY UNREALISTIC IN FIVE YEARS.

THE BASIC PLAN HAS TWO OPTIONS. THE ESSENTIAL DIFFERENCE BEING ACQUISITION OF A 16 A-7D CORSAIRS OR 16 A-37B. COSTS FOR A 5-YEAR PERIOD ARE IN MILLIONS OF DOLLARS AND ALL FIGURES QUOTES ARE PANAMA'S.

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OPTION A WITH 16 A-7D FIGHTER AIRCRAFT				
ARMY	NAVY	AIR FORCE	TRAINING	TOTAL
22.93	15.95	63.8	10.7	113.38

OPTION B WITH 16 A-37B FIGHTER AIRCRAFT				
ARMY	NAVY	AIR FORCE	TRAINING	TOTAL
22.93	15.95	39.8	9.0	87.68

CONTRERAS SAID HE HAD BEEN ADVISED BY US NEGOTIATORS NOT TO MAKE THIS REQUEST PART OF THE TREATY PACKAGE LEST IT HINDER RATIFICATION. HE DID NOT OUTLINE THE FORM OF US ASSISTANCE HE EXPECTS TO RECEIVE BUT GAVE CLEAR INDICATIONS THAT HE EXPECTS AND NEEDS SUBSTANTIAL ASSISTANCE AND APPEARED TO BE OPTIMISTIC ABOUT THE CHANCES OF RECEIVING THIS AID. THIS IS IN MARKED CONTRAST WITH HIS PAST WORRIES ABOUT FUNDING EQUIPMENT PURCHASES. TIME DID NOT PERMIT THE MILGROUP OFFICER TO OFFER ANYTHING OTHER THAN A BROAD DEMUR THAT THE PLAN WAS OVERLY AMBITIOUS AND NOT CONSISTENT WITH PRESENT GN NEEDS OR ABSORPTION CAPABILITIES PARTICULARLY IN THE AIR FORCE AREA. CONTRERAS, NO FAN OF PANAMA'S AIR FORCE OR ITS COMMANDER, REPLIED GRANDLY THAT THE AIR FORCE COULD BE UPGRADED FROM ITS PRESENT LEVEL TO A-7D/S AND C-130E/S WITH A YEAR'S TRAINING.

CONTRERAS SAID PANAMA WOULD DEPLOY THE PROJECTED FIVE BATTALIONS AS FOLLOWS. TWO BATTALIONS TO DEFEND THE CANAL (ONE ON THE ATLANTIC, ONE ON THE PACIFIC); ONE BATTALION IN CHIRIQUI; ONE BATTALION IN THE DARIEN TO GUARD THE FRONTIER AND THE COMPLETED PAN AMERICAN HIGHWAY; AND ONE BATTALION IN PANAMA CITY TO "SECURE THE GENERAL AND THE GENERAL STAFF."

THE FORCE DEVELOPMENT PACKAGE IS BEING STUDIED AND A CONCERTED EFFORT WILL HAVE TO BE MADE TO CONVINCE THE GN TO REALISTICALLY REALIGN ITS PLAN. BOTH GN OPTIONS ARE OBVIOUSLY BASED ON THE

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PREMISE THAT THE US WILL FUND THEIR DEVELOPMENT.
JORDEN

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Message Attributes

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Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
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Subject: MEETING WITH LTC CONTRERAS SUMMARY: ON JULY 25, 1977 LTC CONTRERAS OUTLINED PANAMA'S POSITION ON LANDS AND WATERS TO A MILGROUP OFFICER
TAGS: MILI, PN, PQ, US
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Type: TE
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